



Department of Justice

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JUSTICE DEPARTMENT AND CITY OF STILWELL, OKLAHOMA SETTLE ANTITRUST SUIT

WASHINGTON, D.C. -- The Department of Justice and the City of Stilwell, Oklahoma reached a settlement today that prohibits the City from withholding water service from city residents who want to purchase electricity from other electric companies. The agreement settles a civil antitrust lawsuit filed by the Department against the City and the Stilwell Area Development Authority.

The complaint, filed on April 25, 1996 in U.S. District Court in Muskogee, Oklahoma, alleged that Stilwell forced local customers to buy its electricity by refusing to provide them with water and sewer services unless customers also agreed to purchase their electricity from the City. The complaint alleged that this "all-or-none" utility policy prevented consumers from receiving the benefits of competition from a rural electric cooperative that was seeking to serve new customers in Stilwell. Under the settlement, the City may no longer use its water and sewer monopoly to suppress competition from other electric companies.

"The settlement ensures that the City of Stilwell will not deprive Stilwell consumers of the benefits of competition in the retail electric industry," said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division. "This

settlement also sends a clear message to utilities throughout the country (including municipal electric utilities) that their conduct must conform to the antitrust laws.”

As required by the Antitrust Procedures and Penalties Act, the proposed settlement, along with the Department’s Competitive Impact Statement, will be published in the Federal Register. Any person may submit comments on the proposed decree within sixty days to Roger Fones, Chief, Transportation, Energy and Agriculture Section, Antitrust Division, U.S. Department of Justice, 325 7th Street, N.W., Suite 500, Washington, D.C. 20530. At the conclusion of the comment period, the Court may enter the final judgment upon finding, following review of the comments received, that it serves the public interest.

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